

# TISA/TTIP/TPP and the Exclusion of the BRICS: The possible impacts in Brazil

## *TISA/TTIP/TPP y la exclusión de los BRICS: Los posibles impactos en Brasil*

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### Abstract ▪

The negotiations during the World Trade Organization rounds have called into question the lack of consensus on the liberalization/regulation of trade in various sectors –agriculture, automotive, semi-manufactured goods and services– that directly affect the developing countries. The developed countries have strengthened their positions giving priority to agreements in the service sector with Trade in Services Agreement (TISA) which comprises the areas of telecommunications, e-commerce, air and maritime transport, biotechnology, movement of natural persons, national regulations and postal services. As a strategic sector, it constitutes nearly 80% of the US and UE economies. The negotiations around TISA, Transatlantic Trade and Investment Partnership (TTIP) and Trans-Pacific Partnership (TPP) occurred behind closed doors as parallel negotiations under the leadership of the United States and European Union. With the collaboration of other 23 countries, according to documents obtained by WikiLeaks, they excluded the BRICS countries and others. Arising instability and lack of legitimacy among multilateral agencies after the financial and economic crisis of 2008, call into question the entities created after the Bretton Woods Conferences. This study aims to identify the consequences that these agreements will bring in the field of international trade in relation to the BRICS countries, and specifically about Brazil.

### Keywords ▪

WTO / BRICS / TISA / TTIP / TPP

### Resumen ▪

Las negociaciones durante las rondas de la Organización Mundial de Comercio han puesto en cuestionamiento la falta de consenso sobre la liberalización/regulación del comercio en varios sectores –agricultura, automotriz, bienes semi-facturados y servicios– que afecta directamente a los países en desarrollo. Los países desarrollados han endurecido sus posiciones priorizando acuerdos en el sector de los servicios con el Acuerdo sobre Comercio en Servicios (TISA, por sus siglas en inglés) el cual engloba las áreas de telecomunicaciones, comercio electrónico, transporte aéreo y marítimo, biotecnología, movimiento natural de personas, regulaciones nacionales y servicios postales. Como un sector estratégico, constituye casi el 80% de las economías de Estados Unidos y la Unión Europea. Las negociaciones en torno al TISA, a la Asociación Transatlántica de Comercio e Inversión (TTIP, por sus siglas en inglés) y el Acuerdo Transpacífico (TPP) ocurrieron tras puertas cerradas como negociaciones paralelas bajo la égida de Estados Unidos y la Unión Europea. Con la colaboración de otros 23 países, de acuerdo a los documentos obtenidos por Wiki-Leaks, excluyeron a los países del BRICS y a otros, en el contexto de una emergente inestabilidad y falta de confianza en las agencias multilaterales tras la crisis económica de 2008 puso en tela de juicio a las entidades creadas Bretton Woods. En este marco, este trabajo se propone identificar las consecuencias que estos acuerdos pueden tener en el campo del comercio internacional en relación a los países del BRICS y específicamente en el caso de Brasil.

### Palabras clave ▪

OMC / BRICS / TISA / TTIP / TPP

## Introduction

After the crisis of 2008, it has been observed in the international relations that the developed countries (US, EU, Japan and Canada) have prioritized the formation of commercial, even sectoral, treaties, with the objective of more than merely protecting niche markets, but above all the expansion of certain strategic sectors.

Free-trade treaties are not new to the functionality of state-market relations, some have been placed into practice such as North American Free Trade Agreement (NAFTA), which continued the peripheral situation of Mexico, and others have not come into effect like the Free Trade Area of the Americas (FTAA), due to a change in the Latin American political landscape. However the Trade in Services Agreement (TISA), the Transatlantic Trade and Investment Partnership (TTIP) and the TPP (Trans-Pacific Partnership), the trinity-T, are treaties with a different format, since they go beyond negotiations on tariff reductions.

The aim of this study is to highlight how developed countries, when using parallel treaties, deepen the critical state of political functionality of the multilateral entities created after Bretton Woods. For instance, the United Nations that found itself unable to act regarding the unilateral action of the US in the invasion of Iraq, yet is able to take broader action in trade treaties such as the World Trade Organization (WTO).

The question of legitimacy still remains a fundamental concept in the field of ideas that are reflected in the real world. Fonseca (1998) explains the proposal of the New International Economic Order (NIEO) during the Cold War, where, at the heart of the contradictions of this order, the Third World countries, within the structure of the created international system, launched projects, even in limited ways, alternative to the hegemonic powers. The author brings the complex relation between values and power in the construction of the international order, in which even though the central countries use military and economic power as fundamental pillars, they still need to consolidate that power with the diffusion of ideas and concepts that point to the best way to organize the international system.

In addressing the legitimacy of the non-hegemonic in the post-Cold War era, Fonseca (1998) projected that China's entry into the WTO could bring greater stability to the international system, but at the same time warns whether this would really be accepted in a non-conflictive way by world powers, based on the provisions and interpretations of international law in the search for consensus. Certainly, the questioning still remains valid, if in this post-Cold War order developing countries proposals would be legitimated.

In the dispute for legitimacy and more space for new blocs and countries within multilateral entities, BRICS countries have adopted a tactical horizon since their first diplomatic meeting in 2009. Since then, the bloc has undoubtedly been proactive in the negotiations and proposals for economic guidelines in the WTO and other multilateral entities. Each country has its own characteristics, specificity and priority areas of commercial expansion, but all of them exerting pressures in the existing multilateral spaces.

In the process of intra-bloc institutional maturity and significant contextual changes prior to the 2008 crisis, followed especially by the commodity boom, the international scenario began to exert a set of political, economic and military pressures on the BRICS.

Much more than a simple acronym and a set of acronyms created by a corporate official (Bauman, 2015), the BRICS in recent years (2009-2016) have suffered a counter-offensive on several fronts, and one of these offensives is done in part because of the pressures these countries have coordinated within the WTO.

In any case, it does not present itself as an open and stated offensive of the developed countries, that continue to make agreements with the BRICS, but the level of competition now enters into a frame of confrontation, sometimes subtle, sometimes in the open. The relationship between the BRICS and developed countries around internationally important issues is becoming increasingly discordant. By identifying the issues of disagreement and interventions in the bilateral policies for each BRICS country, we will see situations of action/reaction and destabilization of domestic and foreign policies in different ways.

In the context of the WTO we have a concrete factor in the development of our analysis, the exclusion of the BRICS and other countries from the TISA/TTIP negotiations. Decisions that have been taken in parallel meetings, and the reasons why the central bloc (US and EU) have decided to make changes away from the standards of multilateral entities, is the aim of this article.

The bridge of our analysis encompasses the role that the services sector has taken in these negotiations, being treated with greater complexity, due to its dynamics and importance in the high-tech value chains and insertion in the financial system. In this way, we will be able to discern the possible impacts that Brazil can represent to this framework of alliances between the BRICS countries and its exclusion from the TISA/TTIP/TPP agreements.

### **TISA/TTIP/TPP: A Reaction to the WTO**

Called “dark trade” by many in civil society, the fact that after 21 rounds of TISA negotiations, which formally began in 2013, and informally in 2011, and 15 rounds of TTIP meetings in the period 2013-2016, it is possible to interpret the intentions for which the developed countries, and their decision-making nucleus, the US and EU (mainly Germany), have built a parallel space to the WTO, together with underdeveloped and developing countries as mere adjuncts, but with greater geopolitical affinity in order to expedite agreements not only in the services sector (TISA) but also in goods (TTIP).

When Wikileaks presented, in June 2015, the confidential documents of the 6th round of the TISA negotiations held in Switzerland in 2014, it marked a new situation in international relations. The sectoral interests of a group of countries that anticipated changes in their national legislations and of the WTO's regulatory treaties in the service sector would be taking place on the margins of the international order that they themselves created.

The way the negotiations have been conducted and the future global impact of the TISA / TTIP agreements can be compared to the end of the gold standard in 1971, the oil shock in 1973, or the failed ambition of the FTAA; that is, the definitive dismantling of the order created at Bretton Woods.

We can see in a 2013 EU memorandum that they are explicit that the TISA is a treaty only for “Really Good Friends of Services”, comparable to a narrow code of organizations with more obscure intentions. This memorandum attempts to legitimize this initiative of a new modality of parallel negotiations, due to the impasses that occurred in the Doha Round especially at the 8th Ministerial Conference of the WTO in 2011.

The objective of this broad group of developed and developing countries would be to set up a framework for deregulation that would cover domestic regulation (eg. authorizing and licensing procedures), international maritime transport, telecommunication services, e-commerce, computer related services, cross-border data (EU Memo, 2013).

The scope of this sector for the US/EU is of extreme importance in international trade, since the raw goods and industrial sectors have their limits and have been decreasing in importance for some years. Be it because of physical/environmental limits which, in the case of agriculture, gives developing countries advantages as exporters of raw material with little added value, although the large multinationals in this sector (Monsanto, Bunge, Syngenta, Cargil and others) have their headquarters in developed countries. Be it the deindustrialization occurring in central countries, caused by industrial plant facilities in Asia and elsewhere with cheaper labor, particularly in China.

The service sector is important to the U.S. Every billion dollars exported from the service sector generated more than 7,300 jobs in 2015, while the same figure represented 5,000 jobs in 2013. The service sector represents three-quarters of U.S. GDP, creating four out of five new jobs (US Department Commerce).

For the countries of the European Union services represent 70% of the GDP and of new jobs created, and represents 25% of exports. Together the 23 countries (Australia, Canada, Chile, Chinese Taipei, Colombia, Costa Rica, the EU, Hong Kong China, Iceland, Israel, Japan, Korea, Liechtenstein, Mauritius, Mexico, New Zealand, Norway, Pakistan, Panama, Peru, Switzerland, Turkey, the United States) participating in the TISA negotiations comprise 70% of the world trade in services, with the goal of continued expansion.

The TISA, as a parallel agreement, would serve as the basis for a broader treaty outside the WTO structure, opening up space for member countries if they wanted to join portions of the TISA that treat their preference items. In a process of persuading leaders from other countries that have not yet joined, it would act as an “automatic multilateralism” agreement, damaging the founding principle of most-favored nation status.

The structure created in the WTO for the General Agreement on Trade in Services (GATS) was divided into four areas: domestic regulation, emergency safeguards, government pro-

curement, and subsidies. For countries that have joined the TISA, this structure is seen as limited. TISA documents show that the accord will include telecommunications, maritime transport, financial services and the movement of service providers to temporarily provide services, but the objective is to go further.

Following the parallel creation of TISA, the GATS Council for Trade in Services is “informed” about the parallel negotiations and, where possible, aims to pursue the same objectives of joint liberalization. The impacts of trade liberalization measures between these countries would primarily be to implement a process of continuous deregulation with the reduction of tariffs and the strengthening of the most competitive companies.

Having released 17 documents that serve as a summary and basis for the negotiations, we find a set of notable contradictions in the agreement’s process. In order to demarcate the rules in a horizontal way, the first contradiction is to put “transparency” as a value that will be openly practiced by local governments and endorsed by public evaluation.

Only after years of closed-door negotiations are reports on the progress of the negotiations being given to European and American parliamentarians and their recommendations are simply noted by the committees. However, the treatment is different for the companies, because instead of being a trilateral negotiation (Parliamentarians, Executive and Companies), what has been demonstrated is a bilateral format, companies and representatives of the executive branch, CEOs with finance ministers and directors of Central banks.

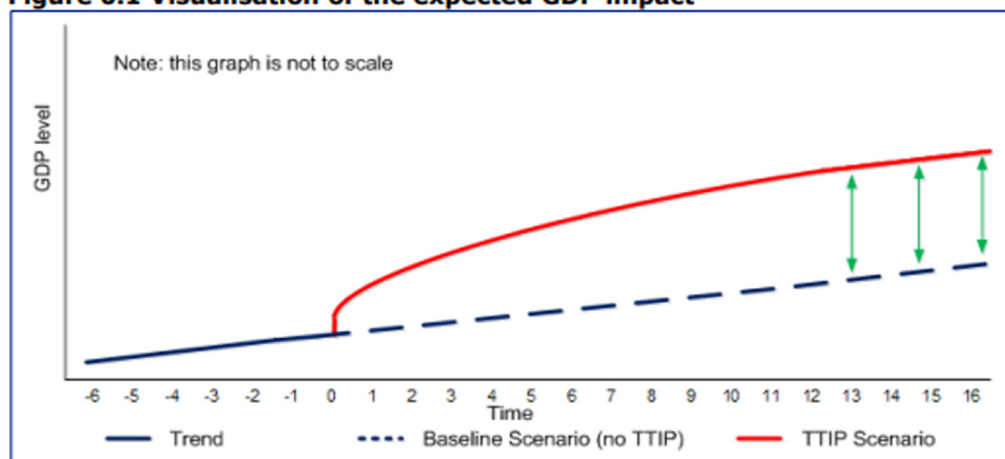
Negotiations around domestic regulations are actually about deregulation. For, upon entering into force, TISA will facilitate the entry of foreign services by obtaining licenses to authorize the open circulation of a certain service. This means, break down the barriers of national legislation that use licensing and service authorizations to ensure local competitiveness, taxing them and making them follow the rules at different levels of territorial and political organization.

In order to have a dimension of these texts, we observe that the areas of state control such as energy, state-owned enterprises and government purchases are also part of the agreement’s future plans. The texts being negotiated suggest that the discussions proceed towards proposals for a change in dispute settlement arrangements, a complete change in the WTO’s state-to-state mediation framework. Companies in a given country, will have the right to process the state government, in the investor-state format, if the TISA terms are not observed, thus constituting a new legal regulatory framework outside the WTO (Kelsey, 2016).

One of the WTO study reports on TISA discusses how agreements within and outside the WTO structure would be effected. The authors find that TISA would force changes in the main clauses at the foundation the GATT (Articles V and X). The text also suggests that China was interested in entering the treaty but was denied admission for the obvious reason, that the agreement is being drawn up against Chinese interests.

Similar elements of TISA can be found in the TTIP, a free trade agreement between the U.S. and European Union. More directly, the agreement gives a message that “we resolve our own business issues”. The degree of integration of these economies, as well as their joint action in geopolitics, facilitates the interaction of transnational interests, making this agreement the largest trade and investment treaty ever negotiated in the world, proposing an area of free trade never seen before.

**Figure 0.1 Visualisation of the expected GDP impact**



Fuente: Trade SEI on the TTIP-Interim Technical Report, Comission EU, 2016



After 15 rounds, the document that is divided into three parts: market access, regulatory components and rules, sets an even more ambitious scenario. It is designed to do more than change economic perspectives, but will also have impacts on social, environmental, agro-food, chemical and pharmaceutical sectors, mechanical engineering, electric good, motor vehicles, air and sea transportation, consultations and communications, and obviously, the financial sector.

Regarding dispute settlement, the document shows that there are divergences between countries, reflecting the discussions in the WTO, proposing a revision of the current rules. And a specific group was set up for the financial sector to work on the EU proposal.

As a way to strengthen the interests of the various financial and business groups in the TTIP negotiations, a set of 14 private sector associations supported by the US Chamber of Commerce created the Transatlantic Financial Regulatory Coherence (TFRC) or simply the Transatlantic Business Council (TABC). This robust council has as its main objective to include preferential clauses on regulatory cooperation. In this select group are financial sector giants such as Banco Bilbao Viscaya (chairman of the board) and Deutsche Bank, gas and oil corporations Chevron, Exxon and Statoil, and car manufacturers like Audi and Ford.

Negotiators aimed to format the body of the treaty in 2016, but the U.S. election of Donald Trump have made the future of the TTIP a mystery. The administration of President Barack Obama (2008-2016) and the Democratic Party have engaged in large-scale free trade treaties, such as the Trans-Pacific Partnership (TPP), which was negotiated with countries such as Canada, Peru, Mexico, Japan, Vietnam, New Zealand, Singapore, Brunei and Malaysia, with the discourse that this would bring more jobs to the U.S.

Drafted in 2005 but prioritized by the US authorities in 2010 to be ratified in 2017, the TPP would be a continuation of TTIP with countries in the Pacific surrounding China's maritime territory. The TPP corresponds to 37.4% of world GDP and 25.9% of global trade. The treaty proposes to modify national laws that correspond to market access, government procurement, intellectual property, investment in terms of the Investor-State Dispute Settlement (ISDS), labor and environment, market access for services and investment, pharmaceutical and medical device purchasing and state-owned enterprises.

And each point has an objective that further distances itself from the WTO. As we have stated at the beginning of the text, the main purpose of the agreement is not tariffs but non-tariff legislation, as the WTO's main task of tariff reduction has been achieved, though not as the developing countries wanted. As Stiglitz (2014) puts it, the vital goal of the corporations that make up the TPP agreement is to change labor laws, consumer protections, the environment and the economy in general.

The State Owned Enterprises/Investor-State format would be imposed by an international court with supranational laws. In the factsheets released by the governments of the countries of the TPP there is always a care to inform that in this format their companies would have a better environment to compete in other markets, and that this would bring minimal impacts on national economies, as if this were easy to predict.

The TPP treaty would have a direct impact on China and its surroundings, since the countries that surround it have deep economic relations (Japan) and historical (Vietnam), as well as in the countries Chile and Peru that are the entry to South America. It would also affect Brazil, by distancing Chile and Peru from the influence of Mercosur.

### **TISA/TTIP/TPP: A reaction to the BRICS**

Looking at BRICS countries' strategy of investing in WTO space and mechanisms in order to influence the negotiations and win part of their sectoral demands, we see that there is an asymmetry between participating countries. Much of the criticism of the BRICS in the WTO focus on explicit inequalities in the flow of international trade, unequal treatment of developing countries in the negotiations, and their difficulties in gaining access to markets that are already monopolized and protected.

When attempting to reform the institution, it can be said that the BRICS aim for reform within the current order. BRICS countries have functioned with a dynamic of sectoral meetings between companies and governments. While they have advanced in the exchange of information, creation of forums, signatures of agreements and sectoral agreements in energy, agriculture and transport, nothing is comparable to the dimensions proposed by TISA/TTIP/

TPP. For the BRICS proposal is not based on free trade based on deregulation of the economy.

One of the spaces used and reinforced by the BRICS countries is the WTO Dispute Settlement Body. In a brief analysis of the progress of this organ, we can see the lack of dynamism in resolving pending issues immobilizes the expansion of the most peripheral sectors of the economy of the poorest countries.

A classic example of the lack of dynamism of the WTO was the case of US cotton subsidies, the process (Subsidies Upland Cotton) triggered by Brazil accompanied by third party countries that are impacted by the subsidies such as Argentina, Australia, Benin, Canada, Chad, China, Euro-pean Community, India, Pakistan, Paraguay, Venezuela, Japan and Thailand. It took 12 years (2002-2014) to come to an agreement mainly because of the U.S., which in 2012 announced that they would not change its Farm Bill. This measure meant that Brazil did not sign the agreement that year until legislation changes were implemented in the US.

Analyzing how BRICS countries use the Dispute Settlement Body, it is possible to see how much Brazil and India, since they are countries that are part of the WTO longer than the others, and see their economies being undermined by the protectionism of developed countries, use this mechanism in the perspective of achieving greater openness for their exports.

	<i>Complainant</i>	<i>Respondent</i>	<i>Third party</i>	<i>Complainant- USA/EU/Canada/Japan</i>	<i>Respondent- USA/UE/Canada/Japan</i>
<b>Brazil</b>	31	16	108	22	12
<b>China</b>	15	39	136	15	34
<b>Russia</b>	5	7	33	4	5
<b>India</b>	23	24	126	17	18
<b>South Africa</b>	0	5	7	0	0

Figure 2: WTO Dispute Settlement – BRICS vs. USA/EU/Canada/Japan.

By identifying the processes that were raised and their nature, we note the tendency of developed countries (US, EU, Canada and Japan) to open proceedings against BRICS subsidies of industrialized products. With the exception of China, the BRICS countries have difficulties in competing in this sector with businesses needing subsidies in order to survive and establish them-selves nationally and internationally.

China, on the other hand, after the adhering to the terms imposed, found in the WTO the space to demonstrate the contradictions of the practice of the liberalization of the international trade. Consequently, it has become the most demanded country with little time of adhesion. The tactical use of planning the economic sector in the combination of various internal and external factors, becoming the buyer of cheap raw materials, of strengthening the national industrial park and opening up to multinational facilities, coupled with the dynamism of the services sector, Economy in the main competitor of the contemporary world.

Of the total of 31 complaints made by Brazil in the WTO, 22 of them are directed to the block of developed countries (USA, EU, Japan and Canada) and Brazil responses to 12 lawsuits from this block. China is the claimant in 15 lawsuits and all of them are against developed countries, and is respondent in 39 cases. Russia with less time as a WTO member, has sued developed countries 4 times and is being sued in 5 cases. India is a claimant against developed countries in 17 of its 23 cases, and 18 of the 24 cases in which India is a defendant were brought by developed countries. South Africa as an exception to the rule, has not sued or been sued by developed countries.

Even with limits set by the Dispute Settlement Body, developed countries often continue to practice the acts that were challenged by their competitors, hardly implementing decisions in their entirety, and continuing to use maneuvers to protect the impacted sector.

The WTO Ministerial Conference in Nairobi (December 2015) presented an understanding on the agenda of agricultural trade liberalization as foreseen in the Doha Round (initiated in 2001) where developed countries are expected to eliminate and / or reduce agricultural export subsidies and receive symmetrical treatment as with industrialized products. This has been a priority for developing countries. Yet we have seen only partial implementation. The apparent outcome of this measure reflects the slowness of WTO priorities with developing countries.

However, most of the cases in the Dispute Settlement are not based on services, but on goods, merchandise and patents/intellectual property. The TISA and TTIP are designed to anticipate commercial disputes in the service sector. They represent, on the one hand, a liberalization project, and on the other hand, an action of self-preservation of their markets against current and potential enemies. In this way, the services sector is the frontier that developed countries are not willing to cede to developing countries and the BRICS. The WTO as it currently stands is not in a position to submit a single disciplinary regime that all members will accept horizontally.

To answer the question of why developed countries are negotiating preferential service agreements to the exclusion of the BRICS and other developing countries, we will examine the role of this sector in this block.

The most recent data (fig.3-4), according to the division of the economic sectors' participation in the BRICS, shows the expansion of the tertiary sector (services) as a percentage of GDP. From 2005-2014 the services sector became a priority in the composition of the economic framework of the BRICS countries. Brazil's service sector comprised more than 70% of its GDP in 2014, China in 2005 had a service sector in second place behind the industry, by 2014 the service sector passed it to comprise 60% of the GDP, 25% more than the industrial sector.

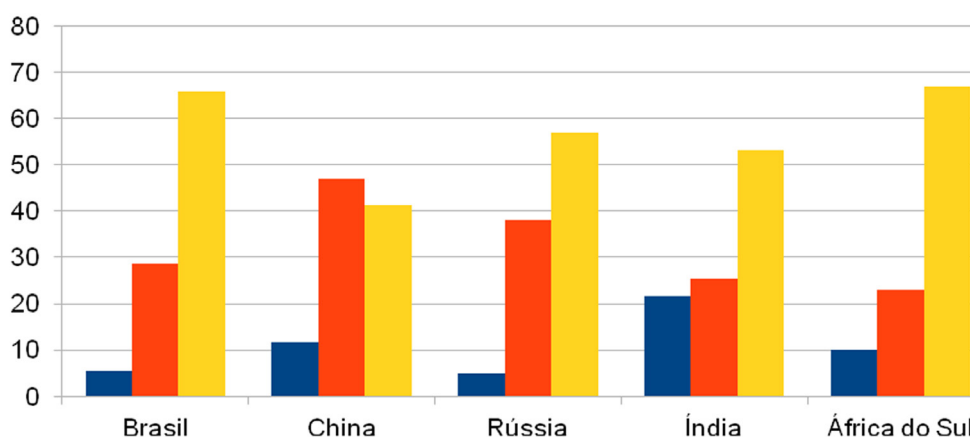


Figure 3: GDP BRICS 2005 – BRICS Joint Statistical Publication (2015)

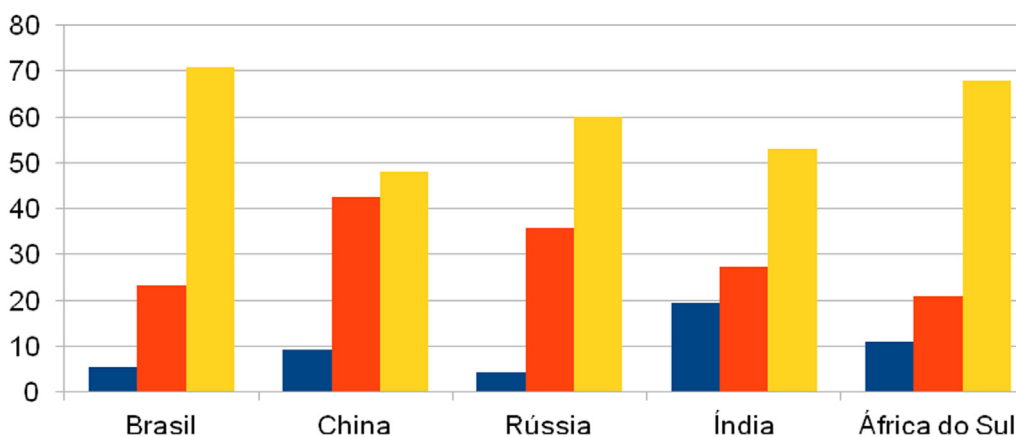


Figure 4: GDP BRICS 2014 – BRICS Joint Statistical Publication (2015)

When analyzing the statistics (Figure 5-6), we observe the participation of the services sector (ex-port and import/BPM6) of the developed countries, G7 and BRICS. Though still hegemonic, there is a relative drop in the participation of developed and G7 countries, and a slight increase in BRICS in recent years, already concentrating around 15% of world exports and imports.

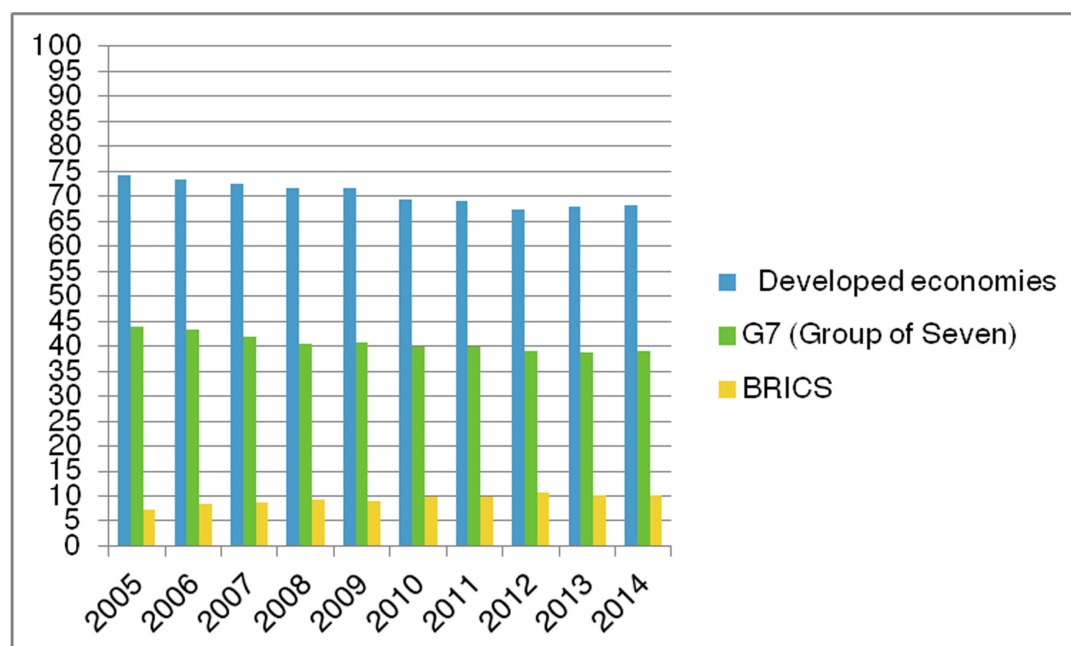


Figure 5: Services  
Export BPM6 –  
UNCTAD

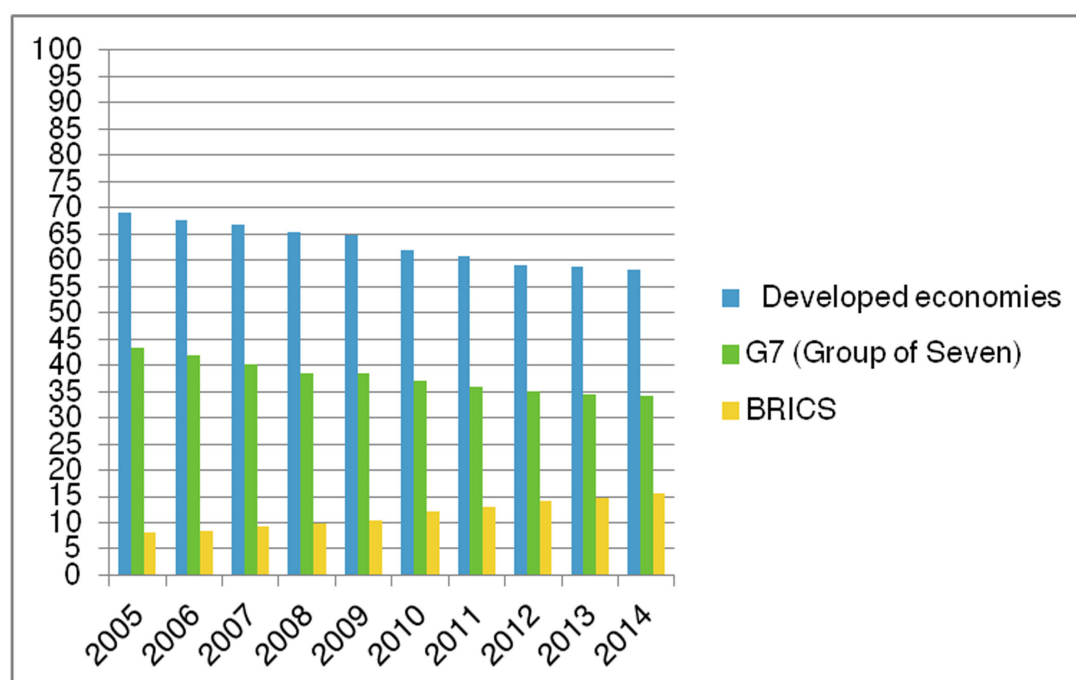


Figure 6: Services  
Import BPM6 –  
UNCTAD

In the ranking of exporting countries, China represented 4.6% (2014) and India 3.2% (2014), Russia 1.4% (2014), Brazil 0.8% (2014) worldwide. Already in 2015, China increases its share with 6%, India 3.3%, Russia 1.1%, and Brazil 0.7%. In imports in 2014, China 8.1%, India 2.6%, Russia 2.5%, and Brazil 1.8% worldwide. In 2015 China increases its share with 10.1%, India 2.7%, Russia 1.9%, and Brazil 1.5%. So, what we can observe is that China, India and Russia are potential competitors with developed countries.

### Conclusion: Possible Impacts in Brazil

The possible impacts of the TISA/TTIP/TPP treaties are still unpredictable for Brazil and more studies of quantitative and qualitative content are needed to better base ourselves if these agree-ments come into force in the short term. The fact that the services sector has an expressive partic-ipation in Brazil's GDP and its growth in foreign trade shows how the sector is following world trends, and stands out in relation to the agricultural and industrial sectors



in the domestic sector.

Although the service sector has the largest share of GDP, it is not as significant in foreign trade. Between 2009 and 2015, services reached a maximum of 14.8% (2014 and 2015) relative to trade in goods, averaging 13.6%, in the time period. In imports, services represented 27.1% (2014) and 28.54% (2015). As imports are larger than exports, there is an increasing service trade deficit of U.S. \$ 17.8 billion (2009), U.S. \$ 48.2 billion (2014) and U.S. \$ 35.9 billion (2015). Overall, the services sector in exports reached only 1.65% (2014) and 1.91% (2015) as a percentage of GDP and imports 3.65% (2014) and 4% (2015). This demonstrates that the sector is not a high priority for Brazilian foreign trade.

BRICS countries are not part of Brazil's major partnerships, with the exception of China in this sector. BRICS, to a lesser extent Brazil and South Africa are significant exporters and importers on the world stage. When we take, for example, the year 2014, even though Brazil exported U\$39.8 bi and imports U\$87 bi, with the BRICS, the exported values were U\$444.9 million and imported U\$872.8 million, representing a little over 1.1% of total exports and 1.8% of Brazilian imports.

Brazil's dependence on the external sector vis-à-vis the developed countries is visible, demonstrating the difficulty of the services sector if the TISA/TTIP/TPP agreements are put into practice. In 2014 Brazilian service exports to developed countries were approximately 67.5% of total service exports with the US representing 29.4%, and imported approximately 52.1% from the US and the Low Countries. In 2015 Brazilian service exports to the US reached U\$6.16b and to the EU were U\$6.3b, representing approximately 60% of total exports. The same year Brazil imported, respectively U\$ 13.3b and U\$22.8b, in other words, there is a significant trade deficit.

So we can make some predictions as to what may occur to Brazil if the TISA were implemented as the leaked documents indicate:

a) There is a mutual dependence in the service sector between Brazil and the US/EU, as Brazil is a large importer. If the TISA were implemented, countries of the US/EU would restrict imports of Brazilian services since there would be no preferential space in the accord, thus increasing Brazil's trade deficit.

b) At the same time, Brazil could adopt restrictions for these countries giving priority to BRICS country members.

These possibilities could very well change in the recent political panorama. In the case of the US with the 2016 election of Donald Trump of the Republican Party could result in the US leaving the TPP accord, though the negotiations may continue without the presence of the US. In Brazil's case, since the institutional coup that provoked the impeachment of president Dilma Rousseff of the Workers Party, there has been a drastic change in foreign policy priorities with increased political alignment with the US/EU block.

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